

# **2013 DRAFTING REQUEST**

## **Bill**

Received:	<b>4/15/2013</b>	Received By:	<b>jkreye</b>
Wanted:	<b>As time permits</b>	Same as LRB:	<b>-2229</b>
For:	<b>André Jacque (608) 266-9870</b>	By/Representing:	<b>himself</b>
May Contact:		Drafter:	<b>jkreye</b>
Subject:	<b>Public Util. - telco</b>	Addl. Drafters:	<b>mkunkel</b>
		Extra Copies:	<b>EVM</b>

Submit via email: **YES**  
 Requester's email: **Rep.Jacque@legis.wisconsin.gov**  
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**  
**mark.kunkel@legis.wisconsin.gov**

## **Pre Topic:**

No specific pre topic given

## **Topic:**

Repeal police and fire protection fee assessed on telecommunications customers

## **Instructions:**

See attached

## **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 4/15/2013	jdyer 4/15/2013	rschluet 4/15/2013	_____			
/1				_____	sbasford 4/15/2013	sbasford 4/25/2013	State S&L

FE Sent For:

<END>

→ A+ Intro.

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/?	jkreye	1 4/15 jld	8	==			

4/15/13

FE Sent For:

<END>

**Kreye, Joseph**

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**From:** Kunkel, Mark  
**Sent:** Monday, April 15, 2013 9:15 AM  
**To:** Kreye, Joseph  
**Subject:** FW: Police and Fire Protection Fee

Can you take care of this? And let Jamie know you are on the case? Thanks.

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**From:** Julian, Jamie  
**Sent:** Friday, April 12, 2013 4:28 PM  
**To:** Kunkel, Mark  
**Subject:** FW: Police and Fire Protection Fee

Hi Mark,

Please take a look at the memo below – looks like the bill may cut more than intended. We would like it drafted to reflect the provision in #1 below.

Thank you,

*Jamie Julian*

Office of Rep. André Jacque  
2<sup>nd</sup> Assembly District

Room 123 West  
State Capitol  
P.O. Box 8952  
Madison, WI 53709

(608) 266-9870

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**From:** Ammerman, Fred  
**Sent:** Tuesday, April 09, 2013 9:44 AM  
**To:** Julian, Jamie  
**Subject:** Police and Fire Protection Fee

Jamie,

As we discussed, LRB 0904/1 eliminates both the police and fire protection fee appropriation for making county and municipal aid payments (estimated at \$53,250,000 in 2013-14 and \$53,000,000 in 2014-15) and the general fund appropriation for making those payments (estimated at \$694,825,700 in 2013-14 and \$695,075,700 in 2014-15).

County and municipal aid payments made in 2013-14 go to fund the calendar year 2013 budgets of counties and municipalities, while those made in 2014-15 will fund the calendar year 2014 budgets. Since property tax levies have already been made for their 2013 budgets, any cut in aid would have to be absorbed by them. Aid changes for calendar year 2014 could be factored in as part of the process used to determine property taxes and other revenues for the 2014 budgets.

We discussed two potential options for a redraft of LRB 0904/1:

1. Retain the general fund appropriation for county and municipal aid as it is structured under current law. This would automatically "backfill" the cut from the police and fire fee appropriation repeal with an increase in the sum sufficient, general fund appropriation. This would result in an increase in general fund spending of \$53,250,000 in 2013-14 and \$53,000,000 in 2014-15.
2. Amend the total funding level for the county and municipal aid program to reduce aid payments by the amount of the police and fire protection fee. This would cut aid payments by \$53,250,000 in calendar year 2013 and \$53,000,000 in calendar year 2014. This option should include directions on how the aid cut should be made to the payments for individual local governments (across-the-board percentage reduction, uniform per capita reduction, or some other measure). As mentioned above, cutting the calendar year 2013 amount would reduce funding for a year in which local governments have already set their levies.

A third option would be to use the approach under #1 for calendar year 2013 aid payments and the approach under #2 for calendar year 2014 aid payments. This would fully fund calendar year 2013 payments, at a cost of \$53,250,000 to the general fund. Aid payments would then be reduced by \$53,000,000 for calendar year 2014.

Other options could be considered if the repeal of the police and fire protection fee was delayed for a year. In this case, the approach under #1 would cost the general fund \$53,000,000 in 2014-15 and there would be no change in aid payments to local governments. The approach under #2 would not have any cost to the general fund, but would cut aid payments by \$53,000,000 beginning in calendar year 2014.

The preceding analysis was made using the assumption that the bill would take effect at the beginning of the 2013-14 fiscal year. The figures used would change if the fee repeal occurs on a different date. If you are going to redraft the bill, a specific effective date may be useful.

If you need additional assistance in developing one of these options, please let me know.

Fred Ammerman  
266-3847



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0904/1  
MDK&JK:sac:ph

2013 BILL

in 4-15-13  
due Fri 4-19

jd +  
2168/1

X

re zen

1 AN ACT *to repeal* 20.155 (3) (t), 20.835 (1) (db), 20.835 (1) (r), 25.17 (1) (ku), 25.99,  
2 66.0602 (6) (a), 66.0602 (6) (b), 66.0602 (6) (d), 77.54 (55), 79.02 (3) (e), 79.035  
3 and 196.025 (6); *to renumber and amend* 79.02 (3) (a); *to consolidate,*  
4 *renumber and amend* 66.0602 (6) (intro.) and (c); and *to amend* 25.50 (3) (b),  
5 33.32 (3) (b), 48.561 (3) (a) 3., 48.561 (3) (b), 79.015, 79.02 (2) (b), 196.202 (2),  
6 196.203 (1g) (a), 196.206 (1), 196.499 (1) (intro.) and 196.50 (2) (j) 1. b. of the  
7 statutes; **relating to:** the police and fire protection fee imposed on certain  
8 communications services.✓

***Analysis by the Legislative Reference Bureau***

Under current law, a person that provides active retail voice communications service (communications provider) must impose a monthly fee of \$0.75 on each communications service connection with an assigned telephone number. However, for a prepaid wireless plan, a communications provider or retailer must impose a one-time fee of \$0.38, instead of the \$0.75 monthly fee. Current law allows a communications provider or retailer to separately list the fee on customer bills. If separately listed, the communications provider or retailer must identify the fee as "police and fire protection fee." Communications providers and retailers must remit the fees to the Public Service Commission (PSC), except that the PSC may contract



**BILL**

with the Department of Revenue (DOR) to collect the fees for prepaid wireless plans. The PSC and DOR must deposit the fees in the police and fire protection fund, which is used to make shared revenue payments to counties, towns, villages, and cities.

This bill eliminates the requirement for communications providers and retailers to impose the above fees. The bill also eliminates the police and fire protection fund and the shared revenue payments made from that fund.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 20.155 (3) (t) of the statutes is repealed.

SECTION 2. 20.835 (1) (db) of the statutes is repealed.

SECTION 3. 20.835 (1) (r) of the statutes is repealed.

SECTION 4. 25.17 (1) (ku) of the statutes is repealed.

SECTION 5. 25.50 (3) (b) of the statutes is amended to read:

25.50 (3) (b) On the dates specified and to the extent to which they are available, subject to s. 16.53 (10), funds payable to local governments under ss. 79.035, 79.04, 79.05, 79.08, and 79.10 shall be considered local funds and, pursuant to the instructions of local officials, may be paid into the separate accounts of all local governments established in the local government pooled-investment fund and, pursuant to the instructions of local officials, to the extent to which they are available, be disbursed or invested.

SECTION 6. 25.99 of the statutes is repealed.

SECTION 7. 33.32 (3) (b) of the statutes is amended to read:

33.32 (3) (b) If a county or municipality fails to pay a special assessment levied by a district, the clerk of the district may certify this fact to the department of administration, and shall state the amount due. ~~The department, at the time of making the next scheduled distribution under s. 79.035, shall deduct the amount~~

**BILL**

1 ~~claimed from the payment due the county or municipality, and shall forward it to the~~  
2 ~~district.~~

3 **SECTION 8.** 48.561 (3) (a) 3. of the statutes is amended to read:

4 48.561 (3) (a) 3. Through a deduction of \$20,101,300 from any state payment  
5 due that county under s. ~~79.035~~<sup>✓</sup>, 79.04, or 79.08 as provided in par. (b).

6 **SECTION 9.** 48.561 (3) (b) of the statutes is amended to read:

7 48.561 (3) (b) The department of administration shall collect the amount  
8 specified in par. (a) 3. from a county having a population of 500,000 or more by  
9 deducting all or part of that amount from any state payment due that county under  
10 s. ~~79.035~~, 79.04, or 79.08. The department of administration shall notify the  
11 department of revenue, by September 15 of each year, of the amount to be deducted  
12 from the state payments due under s. ~~79.035~~<sup>✓</sup>, 79.04 or 79.08. The department of  
13 administration shall credit all amounts collected under this paragraph to the  
14 appropriation account under s. 20.437 (1) (kw) and shall notify the county from which  
15 those amounts are collected of that collection. The department may not expend any  
16 moneys from the appropriation account under s. 20.437 (1) (cx) for providing services  
17 to children and families under s. 48.48 (17) until the amounts in the appropriation  
18 account under s. 20.437 (1) (kw) are exhausted.

19 **SECTION 10.** ~~66.0602~~<sup>✓</sup> (6) (intro.) and (c) of the statutes are consolidated,  
20 renumbered 66.0602 (6) and amended to read:

21 66.0602 (6) ~~PENALTIES.~~ PENALTY. Except as provided in sub. (6m), if the  
22 department of revenue determines that a political subdivision has a penalized excess  
23 in any year, the department of revenue shall ~~do all of the following:~~ (c) ~~Ensure~~ ensure  
24 that the amount of the penalized excess is not included in determining the limit  
25 described under sub. (2) for the political subdivision for the following year.

## BILL

## SECTION 11

1 **SECTION 11.** 66.0602 (6) (a) of the statutes is repealed.

2 **SECTION 12.** 66.0602 (6) (b) of the statutes is repealed.

3 **SECTION 13.** 66.0602 (6) (d) of the statutes is repealed.

4 **SECTION 14.** 77.54 (55) of the statutes is repealed.

5 **SECTION 15.** 79.015 of the statutes is amended to read:

6 **79.015 Statement of estimated payments.** The department of revenue, on  
7 or before September 15 of each year, shall provide to each municipality and county  
8 a statement of estimated payments to be made in the next calendar year to the  
9 municipality or county under ss. 79.035, 79.04, and 79.05.

10 **SECTION 16.** 79.02 (2) (b) of the statutes is amended to read:

11 79.02 (2) (b) Subject to ss. 59.605 (4) and 70.995 (14) (b), payments in July shall  
12 equal 15% of the municipality's or county's estimated payments under ss. 79.035 and  
13 s. 79.04 and 100% of the municipality's estimated payments under s. 79.05.

14 **SECTION 17.** 79.02 (3) (a) of the statutes is renumbered 79.02 (3) and amended  
15 to read:

16 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in  
17 November shall equal that municipality's or county's entitlement under ss. 79.035,  
18 79.04, and 79.05 for the current year, minus the amount distributed to the  
19 municipality or county in July.

20 **SECTION 18.** 79.02 (3) (e) of the statutes is repealed.

21 **SECTION 19.** 79.035 of the statutes is repealed.

22 **SECTION 20.** 196.025 (6) of the statutes is repealed.

23 **SECTION 21.** 196.202 (2) of the statutes is amended to read:

24 196.202 (2) SCOPE OF REGULATION. A commercial mobile radio service provider  
25 is not subject to this chapter, except as provided in sub. (5), and except that a

**BILL**

1 commercial mobile radio service provider is subject to ss. ~~196.025 (6)~~, 196.218 (3), and  
2 196.859, and shall respond, subject to the protection of the commercial mobile radio  
3 service provider's competitive information, to all reasonable requests for information  
4 about its operations in this state from the commission necessary to administer ss.  
5 ~~196.025 (6)~~<sup>✓</sup>, 196.218 (3), and 196.859.

6 **SECTION 22.** 196.203 (1g) (a) of the statutes is amended to read:

7 196.203 (1g) (a) An alternative telecommunications utility is subject to ss.  
8 196.01, 196.016, ~~196.025 (6)~~<sup>✓</sup>, 196.191, 196.206, and 196.212.

9 **SECTION 23.** 196.206 (1) of the statutes is amended to read:

10 196.206 (1) EXEMPTIONS. An interconnected voice over Internet protocol service  
11 is not subject to this chapter, except as provided in this section, and except that an  
12 interconnected voice over Internet protocol service is subject to ss. 196.01, 196.016,  
13 ~~196.025 (6)~~<sup>✓</sup>, 196.199, 196.218 (3), 196.858, and 196.859, and except as required for  
14 the commission to administer and enforce this section.

15 **SECTION 24.** 196.499 (1) (intro.) of the statutes is amended to read:

16 196.499 (1) SCOPE. (intro.) Notwithstanding any other provisions of this  
17 chapter, a telecommunications carrier is not subject to regulation under this chapter,  
18 except for s. ~~196.025 (6)~~<sup>✓</sup>, and except under each of the following provisions:

19 **SECTION 25.** 196.50 (2) (j) 1. b. of the statutes is amended to read:

20 196.50 (2) (j) 1. b. Provide notice to the commission to recertify the  
21 telecommunications utility under this subsection and impose on the  
22 telecommunications utility only those provisions of this chapter specified in this  
23 subd. 1. b. No later than 30 days after receiving notice under this subd. 1. b., the  
24 commission shall issue an order that grants recertification under this subsection and  
25 that imposes on the telecommunications utility only those provisions of this chapter

**BILL**

1 specified in this subd. 1. b. The telecommunications utility shall be exempt from all  
2 provisions of this chapter, except ss. 196.01, 196.016, ~~196.025 (6)~~<sup>✓</sup>, 196.191, 196.206,  
3 196.212, 196.219 (2r), and 196.503; and except those provisions in s. 196.203 (4m) (a)  
4 that are imposed on all alternative telecommunications utilities under s. 196.203 (3);  
5 and except, with respect to its wholesale telecommunications services only, ss. 196.03  
6 (1) and (6), 196.219 (4), 196.28, and 196.37. If required by the public interest, the  
7 commission may, with respect only to intrastate switched access services, impose on  
8 the telecommunications utility s. 196.03 (1) and (6) and 196.37, except that the  
9 commission may not impose s. 196.03 (1) or (6) without also imposing s. 196.37 on the  
10 telecommunications utility. The granting of the recertification shall operate to  
11 terminate the telecommunications utility's prior certification. All regulatory  
12 requirements related to the prior certification that are inconsistent with the  
13 requirements of or regulation allowed under this subd. 1. b., including all such  
14 requirements imposed by the certification, and all such requirements imposed by the  
15 commission, whether by statute or commission rule or order, on the  
16 telecommunications utility are terminated on the effective date of the order unless  
17 the telecommunications utility, in its notice to the commission seeking recertification  
18 under this subd. 1. b., requests to remain subject to one or more requirements of its  
19 prior certification that do not violate the telecommunications utility's requirements  
20 or obligations under this chapter and the commission does not deny the request in  
21 its recertification order.

(END)

**2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-2168/?ins  
JK:.....

**Insert 2 - 2**

- 1                    <sup>✓</sup>**SECTION 1.** 20.835 (1) (db) of the statutes is amended to read:
- 2                    20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make
- 3                    payments to counties, towns, villages, and cities under s. 79.035, <sup>✓</sup>~~less the amount~~
- 4                    ~~paid from the appropriation under par. (r).~~ <sup>✓</sup>

**History:** 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237; 1999 a. 5, 9, 10; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 105, 109; 2003 a. 31, 33, 320; 2005 a. 25, 361, 405, 483; 2007 a. 20, 96, 97, 226; 2009 a. 2, 28, 269, 295; 2011 a. 32; 2011 a. 260 s. 80.

**Basford, Sarah**

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**From:** Julian, Jamie  
**Sent:** Thursday, April 25, 2013 12:56 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -2168/1 Topic: Repeal police and fire protection fee assessed on telecommunications customers

Please Jacket LRB -2168/1 for the ASSEMBLY.